

BEST AVAILABLE COPY

5 February 1964

SUBJECT: 4 February Meeting with J. RAUS

1. RAUS phoned on 3 February 1964 to request a meeting with the undersigned. Because of the undersigned's commitments, RAUS phoned back on 4 February. Undersigned agreed to meet with RAUS briefly on 4 February in downtown D.C. The meeting took place over refreshments from about 1225 to 1310 in a small D.C. cafe on the corner of K and 18th.

2. The following is pertinent to the meeting:

a. RAUS reported that A. KARSNA, through the person of Alo KAAREMA, a member of LEL in New York City, has advised RAUS to retract his accusations against HEINE. KARSNA is in the same camp with E. KEERD who have been avid supporters of HEINE. According to KAAREMA, the New York City LEL called a meeting during which they discussed the HEINE matter and decided upon giving RAUS the opportunity of retracting in order to preclude having HEINE file suit against RAUS. RAUS is not too well acquainted with KAAREMA except that he knows that KAAREMA is living with an Estonian woman, who arrived from Soviet Estonia some 3-4 years ago, (fmu) TROOST.

b. RAUS has not been able to establish whether V. PODRABG, who is named in HEINE's letter as a co-defendant with RAUS, received a letter from HEINE's lawyer as has RAUS.

c. During his visit to the USA, HEINE visited Mark VIINAPUU, a former classmate from Estonia, an architect who lives in Ohio. During the discussions with VIINAPUU, HEINE made a statement to the effect that "...he was again arrested in 1956..." However, apparently after he realized what he had said, HEINE dropped the matter and would not elaborate. (NOTE: There is no information on record to indicate that HEINE had been re-arrested by the Soviets in 1956.)

d. In response to my query, RAUS indicated that he did not wish to retract any of his statements, as, he feels, he has nothing to retract. However, he stated that he would act in accordance with whatever advice was given him by the Agency.

e. Other than the foregoing, there have occurred no new developments concerning the HEINE case. RAUS had asked for the meeting in order to establish whether the Agency would come to his aid. While the undersigned did not make any formal commitments, the undersigned indicated that the General Counsel was in the picture and that a good lawyer, who specializes in libel suits, would be nominated by the GC if and when a need arose for his services. Undersigned conveyed to RAUS the statements made by [] of the GC's office concerning what appears to be a lack of seriousness on HEINE's part concerning the manner in which the letter was written, etc.

- 2 -

f. RAIS agreed to do nothing to provoke SHIDE further and to keep in contact with the undersigned about any and all further developments.

[Chief, SR/OS/D]

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